

Delaware State Council on Housing

Office of Management and Budget Public Hearing Testimony

November 9, 2020

Good afternoon. I am Dianne Casey, Chair of the Delaware State Council on Housing. I bring you greetings from the members of the Council, and thanks for your past and ongoing support of affordable housing in Delaware.

We, as a Council, fully support the budget presented by DSHA Director Anas Ben Addi. It has certainly been a remarkable and challenging year. DSHA rose to the challenge with new initiatives in response and even through that has kept all its normal programs running smoothly.

We understand the FY21 budget required some reductions, but hope those can be reinstated in the FY22 budget. These requested allocations to the Housing Development Fund (HDF; \$4 M), Affordable Rental Housing Program (\$6 M), State Rental Assistance Program (SRAP) (\$3 M), Downtown Development Districts (DDD; \$8.5 M) and Strong Neighborhoods Housing Fund (\$4 M) are vital, ongoing state investments. As we have found in past economic crises, investment in housing, which is leveraged many times over in other public and private investment, is an excellent economic stimulus and supporter of jobs.

As Director Ben Addi described, DSHA's impact is far-reaching across Delaware's housing market and communities. Thousands of families have bought their first home or can afford their rent in HDF-financed affordable rental housing. Foreclosures have been avoided and vacant or abandoned properties brought back to productive use in our neighborhoods and downtowns. And people with disabilities who may otherwise be in institutions now have rental assistance and can remain in the community. We are grateful for your recognition of the importance of housing as an investment in our state's economy, infrastructure, and families.

The HDF's primary role is to create and preserve affordable housing by filling the financing gaps in Housing Tax Credit development projects – a critical piece of the project finance puzzle required to make high-quality, affordable rental housing happen. You are most likely very familiar with the kinds

of projects enabled and people assisted by HDF funding, since these projects are in our neighborhoods and these people are our neighbors. The HDF also supports homeowner rehab, programs assisting Delawareans who are homeless, affordable homeownership and homeownership counseling.

Investment in our downtowns via the Downtown Development Districts (DDD) program is also an economic driver. To date the DDD program has used \$36 million in state funds to leverage \$630 million in total investment in projects ranging from adaptive reuse of vacant buildings for rental housing and commercial space to new homeownership development, and hotel, office and retail space. The State's leadership in this program has brought a sense of optimism and possibility back to Delaware's downtowns.

The Council supports these budget priorities for investment in support of Delawareans and our communities. Thank you for the hard work you are doing and for your consideration of this request.